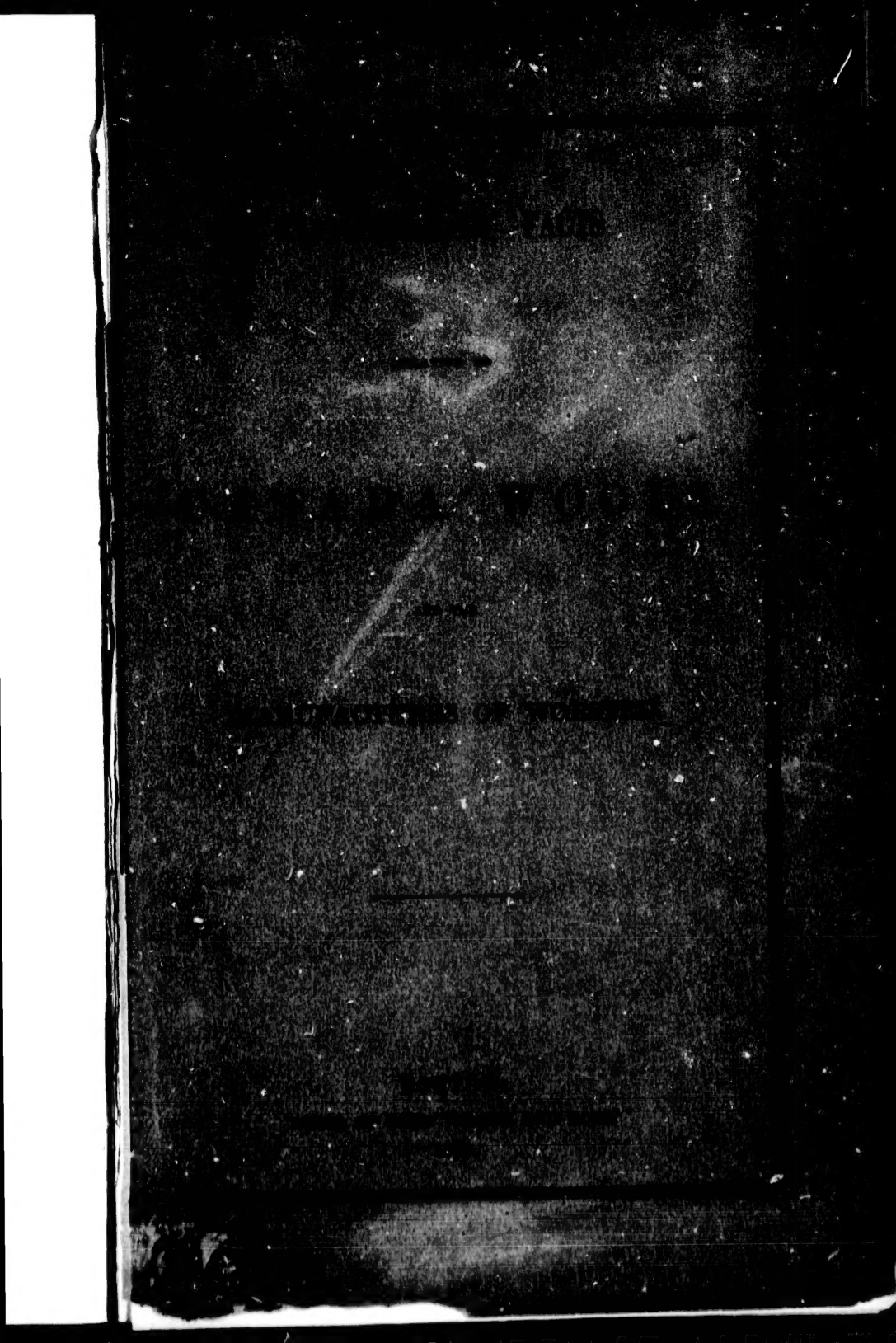




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STATEMENT OF FACTS

RELATIVE TO

CANADA WOOLS

AND THE

MANUFACTURES OF WORSTED.

BOSTON:

PRESS OF JOHN WILSON AND SONS.

1866.

NEW-YORK CITY, Feb. 9, 1866.

To Hon. STEPHEN COLWELL,
U.S. Revenue Commission, Philadelphia,

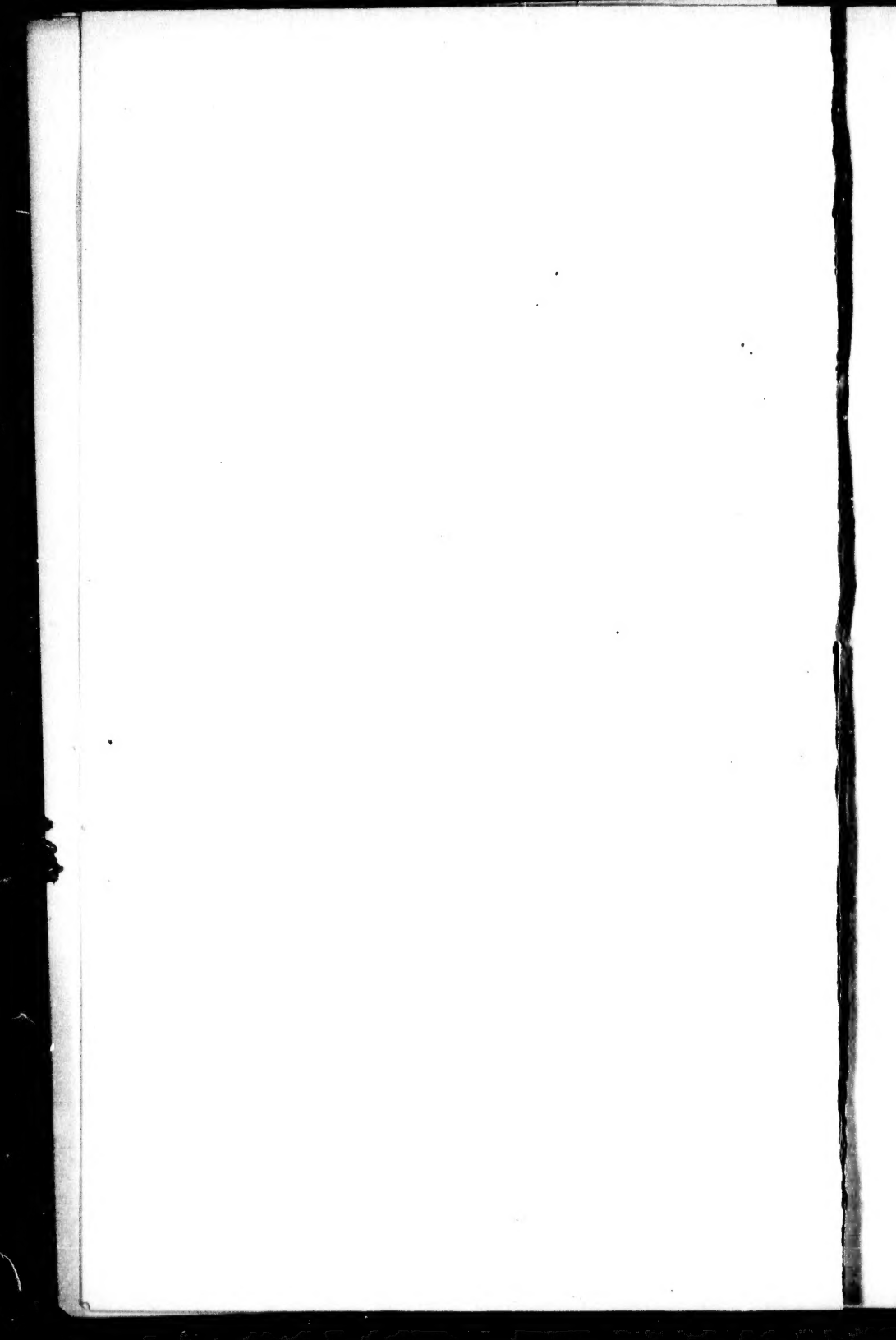
SIR,

The undersigned, Members of the Executive Committee of the National Association of Wool Manufacturers, have the honor to submit to you, as the member of the Revenue Commission specially entrusted with the consideration of the questions of revenue applicable to wool, woollens, and worsteds, the following "statement of facts relative to Canada wools and the manufactures of worsted," prepared by the Secretary of the Association above named, and to commend the facts and views therein presented to your special attention.

We have the honor to be, very respectfully, your obedient servants,

E. B. BIGELOW,
T. S. FAXTON,
EDWARD HARRIS,
J. W. EDMANDS,
N. KINGSBURY,
THEODORE POMEROY,
S. W. CATTELL,

Executive Committee, &c.



NATIONAL ASSOCIATION OF WOOL MANUFACTURERS,
OFFICE, 55, SUMMER STREET,
BOSTON, MASS., Jan. 18, 1866.

*To the Executive Committee of the National Association of
Wool Manufacturers.*

GENTLEMEN, — I have the honor to call your attention to a statement of facts in relation to the demand for consumption in American manufactures of the class of wools known as “combing-wools,” as distinguished from card or cloth wools.

The former class are wools specially fitted for the process of combing by hand or machinery, which consists in drawing out the fibres, so that they may be straight and parallel; the shorter portions called “noils” being removed by this operation. The fibres having been rendered straight and parallel, are twisted, and the yarn is called worsted. The ends of the fibre being covered by the process of spinning, the yarns are smooth and lustrous.

Card or cloth wool is wool fitted for being carded. By this process the fibres are placed in every possible direction in relation to each other, adhering by the serratures of the fibre, which are more numerous in the wool fitted for carding. They are thus fitted for felting, and the ends of the fibre are free to be drawn

out into the nap. While card wools are required to be fine, short in staple, and full of spiral curls and serratures,—qualities possessed by wools of which the merino and Saxony wools are types,—the combing-wools, on the contrary, must be long in staple, from four to seven inches in length, comparatively coarse, having few spiral curls and serratures, and possessing a distinct lustre. These qualities are possessed in perfection by the English sheep of the Lincolnshire, Leicester, and Cotswold races; and, in a less degree, by the Cordova wools of the Argentine Republic, and the Donskoi wool of Russia. Comparatively long fine wools of the merino race, from two and a half to three inches in length, are combed for making delaines and similar fabrics; but they are not classed in the trade as combing or worsted wools.

An unprecedented demand for these wools has arisen in all manufacturing nations within the last ten years, and the prices have more than doubled in that period. This is due, first, to the vast improvements in combing by machinery made within the past fifteen years; secondly, to the late scarcity of cotton; and, thirdly, to the introduction of fabrics from alpaca wool; and the discovery that by the use of cotton warps, with a filling of combing-wool, an admirable substitute might be made for alpaca fabrics. There is an immense demand for these fabrics for female wear.

The goods manufactured from combing-wools, or worsteds, are alpaca fabrics, poplins, grenadines, and an infinite variety of fabrics for female wear, the

consumption of which is constantly increasing; the contexture and patterns of the fabrics can be changed indefinitely to suit the caprices of fashion, and they constitute the great bulk of the class known as "novelties;" furniture goods, moreens, damasks, reps, mohairs, &c.; hosiery goods, such as zephyrs, nubas, &c.; braids, bindings, bunting, webbing for saddlery and suspenders. Carpets are made from coarse and cheap combing-wools; the white yarns being made from Canada wool. It is the opinion of manufacturers, that the finer classes of carpets could be made wholly of Canada wool with advantage.

The vast variety of fabrics, included in the worsted manufacture is illustrated by the following list of goods professed to be made by one firm in Bradford, the seat of the worsted manufacture in England: —

Amiens.	Worsted Stockinetts.
Alpaca Lustres.	Worsted Damasks.
Figured Lustres.	Union "
Buntings.	Merino "
Camblets, —	Worsted Dobbies.
Mexican make.	French Figures.
Dutch make.	Worsted full Twills.
East India and China make.	Cotton warp "
Cambletees.	Grograms or Russel Cords.
Worsted Crapes.	Plain and Fancy Gambroons.
Union "	Linings.
Mixed "	Italian Crapes.
Grandville "	Worsted Lastings.
Cotton warp Cubicas.	Moreens.
Crape Coatings.	Mohair Figures.
Cobourgs.	Lustre Orleans.
Shawl Cloth.	Figured Orleans.
Plain Backs.	Cotton warp Orleans.

Worsted Princettas.
 Alpines.
 Queen's Cloth.
 Worsted figured Russells.
 Union " "
 Silk warp " "
 Worsted Serge de Berrie.
 Union Serge de Berrie.
 Shalloons.
 Plain Shotts.
 Figured striped Shotts.
 Says, stout make.
 Says, Merino make.

Mixed Stockinetts.
 Grandville "
 Webblings.
 Summer Cloths.
 Stout Orleans.
 Denmark Latteens.
 Wildbores.
 Tammies.
 Tournay Cloths.
 Chipa Cloth.
 Pelliones.
 Ponchos and Mantas.
 Yergas.

The importance of the manufacture is evinced by the fact, that the worsted manufacture employed in England, in 1856, 87,794 persons; while the card-wool manufacture employed only 79,091. In France, the industry employed, in 1851, 300,000 persons. In this country, in 1860, less than 3,000 were employed. Worsted goods constitute the largest part of our importations. Of sixty millions of woollens and worsteds, forty millions were of worsted alone.

The manufacture of worsteds, which is just beginning to have an important development in this country, owes its existence to the Reciprocity Treaty, which admitted, free of duty, the wools of Canada. The farmers of Upper Canada, of English and Scotch descent, naturally prejudiced in favor of the sheep husbandry which prevails at home, — as England is still called in the colonies, — and having a taste for English mutton, imported sheep of the Leicester, Cotswold, and Down races, which have thriven admirably on the naturally rich limestone soils of Upper Canada.

The present production of wool from these sheep in Canada is about six millions of pounds. The Canadians have no fine-woolled sheep. Protected by a tariff, they consume about two millions of their own wool in the manufacture of coarse cloths, including tweeds, which have been imported largely into the United States, notwithstanding the duty on cloths; and we use the balance of from three to five millions.

I have before me an approximative estimate, made by a worsted manufacturer in June, of the amount of combing-wools required for our principal mills, which is as follows: —

Pacific Mills, Lawrence, stuff-goods, granadines	300,000 lbs.
Other mills in Lawrence	200,000 "
Hamilton Company, Lowell, stuff-goods	300,000 "
Lowell Carpet Company, stuff-goods	250,000 "
Abbot Worsted Company, yarns	200,000 "
James Dugdale, Lowell, yarns	150,000 "
— Rhoades, Lowell, yarns	100,000 "
John Saydan, Lowell, yarns	75,000 "
Craven & Moore, Westford, yarns	110,000 "
American Braid Company, Pawtucket, R.I., yarns and braids	100,000 "
Goff & Son, Pawtucket, R.I., yarns and braids	75,000 "
Valley Worsted Company, Providence, R.I., fancy hosiery and braids	250,000 "
Kalmia Mills, Connecticut, worsted damasks, broca- telles, &c.	150,000 "
John Yewdell, Philadelphia, yarns	100,000 "
Samuel Yewdell, Philadelphia, yarns	150,000 "
Thornton, Troy, N.Y., yarns	50,000 "
Aberdeen, near Patterson, N.J., yarns	50,000 "
Bigelow Carpet Company, white yarns	100,000 "
Manchester Print-Works, for stuff-goods bought last year	300,000 "
	2,900,000 lbs.

The amount ascertained to have been used in other mills not included in this estimate, will carry the present yearly consumption of Canada wools to at least four million pounds.

As the American production of worsted combing-wool is not sufficient to supply one mill, if the treaty should not be renewed, or some provision be made for the free admission of Canada wools, the worsted manufacturer will be compelled to pay the *whole* of the present high duty on wools, of the class consumed by him, from which his foreign rival is exempt.

The wool adapted to the worsted manufacture cost now in Canada, in gold, from forty to forty-five cents. The duties, under the present tariff, are on wools over thirty-two cents, twelve cents, and ten per cent *ad valorem*. If the present tariff should operate on Canada wools, the duties on wools commonly used at present prices would range from forty to thirty-seven per cent. It is shown by the sworn statements of manufacturers submitted herewith, that these duties on the raw material, together with other neutralizing duties, such as the internal revenue tax, would reduce the nominal protection of from thirty-five to fifty per cent; the duty on foreign worsteds, to an actual protection ranging from zero to only four per cent. It is vain to suppose that worsted manufacture can be continued or increased under such disadvantages.

A duty on Canada wools would crush an industry which has already assumed a truly national importance, and has advanced with a rapidity unexampled in any

branch of our textile manufactures. It is shown by the statements under oath of four leading manufacturers herewith submitted (see statement of Samuel Fay and others), "that worsted yarns, of the finer grades, were made in this country only to a very limited extent prior to 1860 or 1861, except for delaines. The introduction of the manufacture of the finer worsted yarns is due to the command of Canada wools, admitted free under the Reciprocity Treaty. We estimate the capital, now employed in the manufacture of the various kinds of worsted goods, at eight million dollars; and the yearly value of the product, at not less than ten million dollars. We do not hesitate to say, that, in our opinion, the whole of this manufacture is dependent upon the supply of Canada wool; and that, if Canada wool should be subjected to duties ruling under the present tariff, the greater part of this manufacture would be suspended."

Mr. Morse, a leading manufacturer of braids, says, in his sworn statement, herewith submitted: "The first manufacture of worsted braid in this country was commenced, in 1860, with sixteen English machines. We estimate that three thousand machines for braiding worsted are now in operation in this country, that the operation of these machines requires a capital of one million dollars, and that the annual value of the product is three millions. With the present supply of yarns, and the present machinery, it is impossible to supply the demand. We have orders to-day for a hundred thousand dozen of braids ahead of our production. The existence of this manufacture

is wholly dependent upon the supply of Canada wool."

If the manufacture of a single article of the hundreds which may be made from these combing-wools is so important, there can be no doubt of the correctness of the estimate made by one of the most experienced observers of the American wool market, Mr. Bond, who stated, at the Syracuse Convention, that "we should readily and promptly consume in this country not less than twenty million pounds of such wools, if we had the supply."

The adoption of a policy which would overthrow this most promising of all our textile manufactures, can be warranted only by unquestionable countervailing advantages to American producers, — the wool-growers, for example.

Excluded as the wool-growers of the West especially have been from communication with Eastern manufacturers, and uninformed, like most others in the community, of the peculiar uses to which these wools are applied, it is quite natural that their first impression should be unfavorable to the free admission of Canada wools. It is believed, however, that a candid consideration of the facts will convince even our Western farmers, that no possible advantage to the wool-growers of the United States can accrue from a duty on Canadian wools. They do not, in fact, compete with the wools now produced in this country. It is safe to say, that not 300,000 pounds of combing-wools are produced in the United States; and we export to Canada for her mills a much larger quan-

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tity of our fine wool. That this estimate is large is shown by statistics of Ohio, the largest sheep-growing State in the Union, and furnishing about one-sixth of our whole production. The whole number of sheep in Ohio, in 1862, as shown by the agricultural reports, was 4,448,227. The number of Cotswold and Leicestershire sheep, producing combing-wool, is set down for 1863 at only 3,324, which, at seven pounds per fleece, produced 23,268 pounds of wool. This multiplied by six, the proportion of sheep in the rest of the United States to Ohio, would make the whole product of combing-wool 139,592 pounds.

It is believed that combing-wools can be grown with great advantage in this country, particularly since the enormous relative increase in price of these wools; and it is believed that much incidental benefit will accrue to the country from the improvement in mutton and lambs which will be effected by the culture of long-woolled sheep. But the inducement for growing this wool must come principally from the demand of our manufacturers. Check the worsted manufacture, and there will be no hope of introducing this species of sheep-husbandry, which is one of the most important sources of the agricultural wealth of England.

The American producer of fine wool may need protection against the fine wool of Australia and La Plata, produced by cheaper labor. But the cost of production of combing-wools in Canada, and similar districts in the United States, would be nearly equal, the cost of labor being nearly the same. The American who

goes into the production of combing-wools near the great cities, the only situation where this wool will be likely to be raised, will have the advantage in having his wool, mutton, and lambs nearer the market. The American production of combing-wool will probably never be repressed by Canadian competition; while the Canadian supply will keep the mills running, which will make a demand for wool for both the Canadian and American. Canadian sheep husbandry will not compete with American fine-wool husbandry; for the latter differs from the former as much as it does from pork-raising. Fine-wool husbandry is adapted to the prairies of the West, and the hill-sides of the Alleghanies, where the sheep are raised for wool principally, in flocks of a thousand or more; and the sheep are not killed till they are old. The long-wool husbandry is adapted to stall-feeding or high farming in the neighborhood of the great markets, where there is a sale for fat mutton and early lambs, the wool being only the accessory. The sheep are kept in small flocks, and are killed as soon as they reach maturity.

The encouragement of the worsted manufacture by means of free Canada wool, would, in fact, benefit the American wool-growing interest by increasing the demand, and consequently the price, of the kind of wool at present most in favor with the American producer: I mean the heavy Vermont merino fleece. This wool, on account of its strength and superior length, is admirably fitted for soft stuff-goods for female wear, the manufacture of which is carried on in England

and France, in the same establishments which work the combing-wools; for the products, being fitted for the same consumption, can be put on the market together. The mills in this country which have lately introduced the manufacture of Alpaca fabrics from Canada combing-wools, have at the same time introduced the manufacture of Coburgs, a kind of soft stuff-goods from the American merino fleece. I can point to the establishments of the Lowell Manufacturing Company and the Pacific Mills, where both classes of fabrics are made. To introduce the manufacture of stuff-goods into this country, now our greatest necessity, the supply of both kinds of wool is necessary, and the demand for the long combing-wools will certainly create an equally increased demand for the peculiar wool of the American merino. It is working exactly so in England at the present time. The price of English combing-wool is now unprecedented, while that of cloth wools remains stationary. At the last quarterly sales in December, Australian merino combing-wools, analogous to Vermont merino wools, advanced fourpence a pound.

If these views are correct, there remains but one argument for imposing a duty on Canadian wools,—the necessities of the revenue. But it is evident, that the American manufacturer cannot import and pay the onerous duty which will be operative under the present tariff; and it is equally evident, that the loss to the internal revenue by diminishing the manufacture will be greater than any gain from a duty on wool.

The imposition of duty on Canadian wool would therefore be a suicidal act, justified by no possible advantage; and would be a concession, not to our farmers, who would suffer by the act, but to mere popular prejudice. It would be an act of bad faith to the manufacturers who have erected expensive establishments, and imported costly machinery, upon which they paid a duty of over forty-five per cent in gold, upon the faith that treaty stipulations would have a permanence not expected in legislative provisions.

It is true that Canada derives great benefit from selling her wools in this country at fifty cents a pound; but how much greater benefit do we derive from employing them to nationalize a great manufacture in this country! It was a benefit to the English wool-growers, for two or more centuries, to send all their combing-wool to Flanders, but Flanders, by the command of the wool of England for her manufactures, became the richest commercial nation in Europe. In the supply of wool, Canada is to us what England was to Flanders before the time of Edward III., who kept his wool at home; and what Ireland is to England now, and what England desires all the world to be to her besides. We wish to apply to Canada the lesson which England has taught us; and it is not our fault that Canada is also pressing for the freedom to export her raw material, and is blind to the obvious fact that such a policy will always keep her impoverished and dependent.

These views are presented with the conviction that

the American producer of wool will derive no possible advantage from a tax on Canadian wools; and they are presented with the distinct admission, that, if the American wool-grower can furnish reasonable evidence that a duty on Canadian wools will aid his production, he has a right to demand it, and we are bound to concede it.

The American consumers of Canada wool do not desire to complicate the matter in which they are specially interested, with the question of the termination or renewal of the Reciprocity Treaty. But, in case of its termination, they feel justified by the foregoing facts in asking, that Canada wools, by a special legislative provision, may be admitted free of duty. Such a provision for admitting combing-wools only, would be objectionable on account of the practical difficulty at the custom-house in determining what are combing-wools; for portions of some fleece may be selected for combing, while other portions may be used for carding. But so little carding-wool will be received, the Canadians not producing enough card wool to supply their own mills, that it would be better to submit all Canadian wools to the same provision.

The above proposition is made upon the consideration, that the simplest mode of preserving the worsted manufacture is to continue the system under which it has grown up. But the popular prejudice against any form of free trade with the British Provinces, and the consideration that the advocacy of the above plan may be an apparent abandonment of the principle of

protection, suggest another mode of affording relief to the worsted manufacturers. The alternative plan is therefore suggested, if a duty shall be imposed upon Canadian wools, of placing an additional duty upon manufactures of worsted, sufficient to be counter-vailing against the duty on the wool. This plan would be in harmony with the principles upon which the present tariff laws are based. It is believed that such an additional duty would not materially check importations, and would add largely to the revenue.

I have the honor to be, very respectfully, your obedient servant,

JOHN L. HAYES, *Secretary.*

APPENDIX.

To the United-States Revenue Commission.

THE undersigned representatives of ——— companies engaged in the manufacture of worsteds, viz., Samuel Fay, Superintendent of the Lowell Manufacturing Company; Allan Cameron, Agent of the Abbott Worsted Company; O. H. Moulton, Agent of the Hamilton Manufacturing Company, — respectfully submit the following statement in regard to the manufacture of worsteds:—

Worsted yarns of the finer grades were made in this country only to a very limited extent, prior to 1860 or 1861, except for delaines; the yarns manufactured, prior to that, being principally designed for carpets. The introduction of the manufacture of the finer worsted yarns is due to the command of Canada wools admitted free under the reciprocity treaty. Yarns for the weft of worsted stuff goods are made of long lustre combing wools, such as are grown upon sheep known as Leicestershire, Cotswold, and similar breeds, raised in England and Canada.

Other worsted fabrics are made with warps manufactured from wool described above, and weft made from the longest merino wool. Machinery, specially adapted for manufacturing worsteds from long combing wools, has been imported from England, and is adapted for no other purpose; so that, if the raw material is wanting, the machinery must be idle. The Canada wools, used for making worsted in this country, are fully equal to the English combing wools; and the fabrics made in this country are equal,

in all respects, to imported fabrics. There is a demand for all that can be manufactured from the present machinery.

We estimate the capital now employed in the manufacture of yarns and the various kinds of worsted goods at \$8,000,000, and the yearly value of the product of worsted goods at not less than \$10,000,000,—this exclusive of manufacture of delaines, in which American merino wools are used with the shorter Canada wools.

We do not hesitate to say, that, in our opinion, the whole of this manufacture is dependent upon the supply of Canada wool; and that, if Canada wool should be subjected to duties ruling under the present tariff, the greater part of this manufacture will be suspended.

SAMUEL FAY, *Sup't Lowell Manf'g Co.*

O. H. MOULTON, *Sup't Hamilton Manf'g Co.*

JOHN C. MORSE & Co.

ALLAN CAMERON.

STATE OF MASSACHUSETTS, }
COUNTY OF SUFFOLK, } ss.

Sworn to and subscribed before me, the 13th day of January, 1866.

FRANCIS S. DYER,
Notary Public.

To the United-States Revenue Commission.

THE undersigned, John C. Morse & Co., of Massachusetts, respectfully represent, that we are engaged in the manufacture of worsted braids, at Attleborough, Mass. We have employed at our establishment an average of five hundred machines all the time. With that quantity of machinery running, we can manufacture braids of the value of \$800,000 per annum, which value we are, in fact, now manufacturing; and we expect to manufacture a

value of \$1,000,000 per annum. These braids are made of worsted yarns spun from Canada wool. The machines for braiding which we use are of American invention, made expressly for manufacturing worsted braids in this country, and are great improvements upon English machines; being simpler, and costing about half the price, and taking but half the power to work them.

The first manufacture of worsted braid in this country was commenced in 1860, with sixteen English machines. We estimate that three thousand machines for braiding worsted are now in operation in this country, that the operation of these machines requires a capital of one million dollars, and that the annual value of the product is three millions. With the present supply of yarns and the present machinery, it is impossible to supply the demand. We have orders to-day for 100,000 dozen of braids ahead of our production.

The existence of this manufacture is wholly dependent upon the supply of Canada wool. The American yarns made of Canada wools are superior for the manufacture of braids to the English yarns.

JOHN C. MORSE & Co.

STATE OF MASSACHUSETTS, }
COUNTY OF SUFFOLK, } ss.

Sworn to and subscribed before me, this 13th day of January,
A.D. 1866.

FRANCIS S. DYER,
Notary Public.